

**PUBLIC UTILITIES COMMISSION**

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



May 4, 2017

Jimmie Cho, Senior Vice President  
Gas Operations and System Integrity  
Southern California Gas Company  
555 West 5<sup>th</sup> Street, GT21C3  
Los Angeles, CA 90013

**GI-2017-01-SCG50-01C**

**Subject: General Order (G.O.) 112<sup>1</sup> Operation and Maintenance Inspection of Southern California Gas Company's Leak Survey and Patrol Records in the South Desert Transmission Area**

Dear Mr. Cho:

The Safety and Enforcement Division (SED) of the California Public Utilities Commission conducted a G.O. 112<sup>1</sup> Operation and Maintenance Inspection of Southern California Gas Company's (SCG) Pipeline Leak Survey, Pipeline Patrol, and Odorant Intensity Test Records in the South Desert Transmission Area (Inspection Unit) on January 30 – February 3, 2017. The inspection included a review of the Inspection Unit's Leak Survey, Patrol, and Odorant Intensity Test records for calendar years 2013 thru 2016 and field inspections of pipeline facilities in the Beaumont and Blythe transmission districts. SED's staff also reviewed Operator Qualification records, which included field observation of randomly selected individuals performing covered tasks.

SED's staff identified two probable violations of G.O. 112<sup>1</sup>, Reference Title 49 Code of Federal Regulations (CFR), Part 192, and noted one area of concern which are described in the attached "Summary of Inspection Findings".

Please provide a written response within 30 days of receipt of this letter indicating any updates or corrective actions taken by SCG to address the probable violations and the concern noted in the "Summary of Inspection Findings".

If you have any questions, please contact Durga Shrestha, at (213) 576-5763.

Sincerely,

A handwritten signature in blue ink that reads "Kenneth A. Bruno".

Kenneth Bruno  
Program Manager  
Gas Safety and Reliability Branch  
Safety and Enforcement Division

CC: Durga Shrestha, SED/GSRB, Kan Wai Tong, SED/GSRB, Kelly Dolcini, SED/GSRB  
: Troy Bauer, Sempra

**Summary of Inspection Findings  
2017 SCG's South Desert Transmission Inspection  
January 30 - February 03, 2017**

**I. SED Identified Probable Violations**

**1. Title 49 CFR Part 192, Section 192.605 Procedural manual for operations, maintenance, and emergencies**

§192.605 (a) Procedural manual for operations, maintenance, and emergencies states in part:

*“(a) General. Each operator shall prepare and follow for each pipeline, a manual of written procedures for conducting operations and maintenance activities and for emergency response. For transmission lines, the manual must also include procedures for handling abnormal operations. This manual.....”*

**SCG Gas Standard 184.12 Section 4.1 states:**

“Company employees performing the pipeline inspections on bridges, and spans will investigate and report on the following:”

During the record review of SCG's Bridge and Span inspections, SED's staff noted that SCG employees did not complete some of the questions in two “Bridge & Span Inspection Checklist” forms. . The following spans had incomplete inspection checklist:

District	Line	Asset #	Year of Inspection	Items not checked on “Bridge & Span Inspection Checklist”
Beaumont	2001	85.72	2016	* Are there any special access instructions and/or tools needed?
			2016	* Is there any other condition that may affect the pipeline?
Beaumont	2001	93.14	2016	* Are there any signs of atmospheric corrosion or rust on the pipe?

The “Bridge & Span Inspection Checklist” form is completed as part of SCG's inspection protocol to ensure the safe operation and integrity of its aboveground pipelines. Failure to check all the items mentioned in the form may prevent SCG from taking timely remedial actions and jeopardize the integrity of its pipelines. Since SCG failed to follow its procedure and fill out the checklist as required, SCG is in violation of G.O. 112-F, Reference Title 49 CFR, Part 192, Section 192.605(a).

**2. Title 49 CFR Part 192, Section 192.605 Procedural manual for operations, maintenance, and emergencies**

§192.605 (a) Procedural manual for operations, maintenance, and emergencies states in part:

*“(a) General. Each operator shall prepare and follow for each pipeline, a manual of written procedures for conducting operations and maintenance activities and for emergency response. For transmission lines, the manual must also include procedures for handling abnormal operations. This manual.....”*

**SCG Gas Standard 184.12 Section 6.2 states:**

“Transmission inspections of span and aboveground pipe are scheduled, tracked, and documented using and approved, computerized maintenance management system (MAXIMO). Hardcopy records of span and aboveground pipe inspections, along with any electronic copies are retained for the life of the facility plus 5 years or 75 years, whichever is longer.”

During the record review of SCG’s Bridge and Span inspections, the Inspection Unit was unable to provide the hardcopy inspection records for the following spans (28) inspections:

District	Line	Work Order #	Asset #
Beaumont	2001	5463767	167.00
			167.15
			167.25
			168.27
			168.35
			168.41
	5000	5463722	154.49
	2000	5463749	167.97
			168.78
			168.96
			168.99
			169.27
			169.43
			169.98
			170.28
			170.37
			170.44
			170.52
			170.61
			170.72
			170.83
			171.02
			171.08
			171.28
			171.60
			171.63
			172.13
			172.20

SCG failed to follow its operation and maintenance procedure in retaining the hardcopy inspection records for the required duration. Therefore, SED found SCG in violation of G.O. 112-F, Reference Title 49 CFR, Part 192, Section 192.605(a).

**II. Concerns, Observations and Recommendation**

During the record review of SCG's Bridge and Span inspections, SED's staff noted that SCG's employee inspected a Span (#150.88) on Line 2000 on April 25, 2014 and noted a crack or void condition in the protective coating. The employee noted a comment that the "Paint flaking (Disbonding)" in SCG's *Bridge & Span Inspection Checklist*. The employee also notified his supervisor for the proper remedial actions. As of January 27, 2017, SCG has not taken any corrective actions, nor created any follow-up work order on this matter. SED recommends that SCG evaluate the noted condition and take appropriate remedial action.